

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL**

HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

01  
0 1 1 0

2. STATE:

Kentucky

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL  
SECURITY ACT (MEDICAID)TO: REGIONAL ADMINISTRATOR  
HEALTH CARE FINANCING ADMINISTRATION  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

June 1, 2001

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

Sections 1902 (r) (2) and 1931 of the Act

7. FEDERAL BUDGET IMPACT:

a. FFY 2001 \$ 0

b. FFY 2002 \$ 0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 2.6-A page 4a

Supplement 8A to Att 2.6-A page 2

Supplement 12 to Att 2.6-A page 2,3

\*\* Supplement 12-A to Att 2.6-A page 1

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (If Applicable):

Attachment 2.6-A page 4a

Supplement 8A to Att 2.6-A page 2

\*\* Supplement 12 to Att 2.6-A page 2,3

\*\* Supplement 12-A to Att 2.6-A page 1

10. SUBJECT OF AMENDMENT:

Financial Eligibility Methodologies

GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL☒ OTHER, AS SPECIFIED:Review delegated to Interim Commissioner  
Department for Medicaid Services

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Ellen M. Hesen

14. TITLE:

Interim Commissioner Dept. for Medicaid Svs

15. DATE SUBMITTED:

16. RETURN TO:

Sharon A. Rodriguez, Manager  
Policy Coordination Branch  
Department for Medicaid Services  
275 East Main Street 6E-A  
Frankfort, Kentucky 40621

## FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

June 18, 2001

18. DATE APPROVED:

August 24, 2001

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

June 1, 2001

20. SIGNATURE OF REGIONAL OFFICIAL:

Theodore S. Ruffalo for Eugene A. Grasser

21. TYPED NAME:

Eugene A. Grasser

22. TITLE:

Associate Regional Administrator  
Division of Medicaid and State Operations

23. REMARKS:

State agency authorized "pen and ink" change to delete Supplement 12-A of Attachment  
2.6-A, page 1. \*\*

Citation	Condition or Requirement
1924 of the Act 435.725 435.733 435.832	<p>2. The following monthly amounts for personal needs are deducted from total monthly income in the application of an institutionalized individual's or couple's income to the cost of institutionalized care:</p> <p>Personal Needs Allowance (PNA) of not less than \$30 for Individuals and \$60 for Couples for all institutionalized persons.</p> <p>a. Aged, blind, disabled: Individuals <u>\$40.00</u> plus mandatory nondiscretionary deductions Couples <u>\$80.00</u> plus mandatory nondiscretionary deductions</p> <p>For the following persons with greater need: Supplement 12a to <u>Attachment 2.6-A</u> describes the greater need; describes the basis or formula for determining the deductible amount when a specific amount is not listed above; lists the criteria to be met; and where appropriate, identifies the organizational unit which determines that a criterion is met.</p> <p>b. AFDC Related: Children <u>\$40.00</u> plus mandatory nondiscretionary deductions Adults <u>\$40.00</u> plus mandatory nondiscretionary deductions</p> <p>For the following persons with greater need: Supplement 12a to <u>Attachment 2.6-A</u> describes the greater need; describes the basis or formula for determining the deductible amount when a specific amount is not listed above; lists the criteria to be met; and where appropriate, identifies the organizational unit which determines that a criterion is met.</p> <p>c. Individual under age 21 covered in the plan as specified in Item B.7 of Attachment 2.2-A. <u>\$40.00</u> plus mandatory nondiscretionary deductions.</p>

Revision: HCFA-PM-00-1  
February 2000

Revised  
Supplement 8A to  
Attachment 2.6-A  
Page 2

State: Kentucky

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

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LESS RESTRICTIVE METHODS OF TREATING INCOME  
UNDER SECTION 1902 (r)(2) OF THE ACT

- X For all eligibility groups subject to Section 1902 (r)(2) of the Act except State supplementation recipients described in Section 1902 (a)(10)(A)(ii)(IV) and the special income group described in Section 1902 (a)(10)(A)(ii)(V): exclude all wages paid by the Census Bureau for temporary employment related to Census 2000 activities.
- X For all eligibility groups subject to Section 1902 (r)(2) of the Act except State supplementation recipients described in Section 1902 (a)(10)(A)(ii)(IV) and the special income group described in Section 1902 (a)(10)(A)(ii)(V): exclude all income paid to individuals from the Tobacco Settlement between states and tobacco manufacturers
- X For AFDC related eligibility groups subject to Section 1902 (r)(2) of the Act, exclude all interest and dividend income.

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TN No. 01-10  
Supersedes  
TN No. 00-03

Approval Date AUG 24 2001 Effective Date 6/1/01

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

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All income paid to individuals from the Tobacco Settlement between the states and tobacco manufacturers is excluded.

Family Alternatives Diversion payments are excluded as income.

Earnings of an individual attending school who is a child or parent under age 19 or a child under age 18 who is a high school graduate are disregarded.

A recipient shall have the option to receive a one-time exclusion of 2 months earned income for new employment or increased wages acquired after approved and reported timely.

Interest and dividend income shall be excluded.

\$1,000 in resources shall be excluded.

All non-liquid resources shall be exempted. Non-liquid resources are defined as items other than cash, checking accounts, savings accounts, money market accounts, certificates of deposit, bonds, or stocks.

X The income and/or resource methodologies that the less restrictive methodologies replace are as follows:

Earnings of a dependent child who is attending school shall be disregarded for 6 months per calendar year.

All income is considered with no option to exclude 2 months of wages.

Total resources could not exceed \$1,000.

Interest and dividend income was considered.

All non-liquid resources were considered unless specifically excluded.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

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- The agency terminates medical assistance (except for certain pregnant women and children) for individuals who fail to meet TANF work requirements.
- The agency continues to apply the following waivers of provisions of Part a of Title IV in effect as of July 16, 1996, or submitted prior to August 22, 1996 and approved by the Secretary on or before July 1, 1997.